



State of California

# Employment Training Panel

Arnold Schwarzenegger, Governor

July 14, 2009

John L. Beach, Director of Sales  
Insurance Educational Association  
2670 North Main Street, Ste 350  
Santa Ana, CA 92705

Dear Mr. Beach:

RE: **FINAL MONITORING REPORT** for Insurance Educational Association (IEA) - ET08-0119

<b>Date of the Visit:</b>	07/13/09
<b>Beginning/Ending Time:</b>	2:00 p.m. – 2:45 p.m.
<b>Date of Last Visit:</b>	03/13/09
<b>Visit Location:</b>	Via Teleconference
<b>Persons in attendance:</b>	John Beach, Director of Sales, IEA, and Carole Robinson, ETP Contract Analyst.
<b>Action Required:</b>	No

## **CONTRACT INFORMATION:**

<b>Term of Agreement:</b>	08/15/07 – 08/14/09	<b>Agreement Amount:</b>	\$153,840
<b>Training Start Date:</b>	08/21/07	<b>No. to Retain:</b>	120
		<b>Job 1</b>	120
		<b>Job 2 (SET)</b>	
<b>Date Training must be Completed:</b>	05/13/09	<b>Range of Hours:</b>	24 - 200
<b>Type of Trainee:</b>	Retrainee	<b>Weighted Ave. Hours Jobs 1 &amp; 2</b>	40

## **FINAL REPORT SUMMARY:**

### • HISTORY OF AGREEMENT CHANGES

The Agreement was executed on 0/07 and training began on 08/21/07. You reported that all training was completed on 05/13/09, which allowed for the 90-day retention period to be completed within the term of the Agreement (08/14/09).

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[www.etp.ca.gov](http://www.etp.ca.gov)  
ETP (05/16/2007)

There was one Revision Request made during the term of the Agreement. This request, processed as Amendment #1, added a Special Employment Training (SET) job number 2 in the Agreement's training plan for frontline workers directly producing services who are employed by participating employers that do not meet out-of-State competition requirements. Ms. Robinson noted that Amendment 1 was executed on 02/01/08.

- **INTERVIEW WITH COMPANY REPRESENTATIVE**

You reported no major difficulties with the administration of the Agreement and stated that overall; IEA's experience with this ETP funded training project was positive. However, you again informed Ms. Robinson that fewer than anticipated retrainees were enrolled in both Job number for several reasons.

Recent nationwide economic changes have changed the manner in which the insurance industry must conduct business. In many instances, employers must meet increased operational demands rather allow employees to attend optional training opportunities which result in additional overhead costs. Additionally, the insurance industry in California has experienced buyout and/or consolidation activities of some of the major companies that agreed to participate in this training plan which precluded participation of as many trainees as originally planned during development of this Agreement. You informed Ms. Robinson that employers are also utilizing more industry driven Computer Based Training (CBT) courses that allow employees more flexibility for completion during normal work hours rather attending formal IEA classroom training sessions. You also reported that 40 to 50% of all courses requested by employers are related to Worker Compensation topics (adversarial in nature) not allowed as a topic for training under this ETP agreement.

You informed Ms. Robinson that class/lab sessions delivered under this Agreement have helped trainees expand their knowledge and gain new skills by understanding different insurance industry products.

According to ETP records at the time of this final meeting, IEA will retain approximately 59 retrainees in Job 1 and 14 in Job 2 (30 percent of planned retentions). The company will potentially earn a total reimbursement of \$44,700 (29 percent of the encumbered amount) provided all other terms and conditions of the Agreement are met. Current records show that IEA has submitted invoices for progress payments totaling \$41,772.75 of which \$24,156 is earned Final payment. Ms. Robinson reminded you that the closeout invoice should be submitted no later than 30 days after the end term date of the Agreement (09/13/09).

**PROJECT ADMINISTRATION/TRACKING:**

<b>Online tracking hours up to date?</b>	Yes, within 90 days of training dates
<b>Accessing or Uploading issues?</b>	No

**PROJECT STATUS PROVIDED BY THE CONTRACTOR:**

<b>Trainees Started Training:</b>		<b>Completed Training:</b>	
<b>Job 1</b>	72	<b>Job 1</b>	59
<b>Job 2</b>	14	<b>Job 2</b>	14
<b>Trainees Enrolled:</b>		<b>Completed Retention:</b>	
<b>Job 1</b>	72	<b>Job 1</b>	46
<b>Job 2</b>	14	<b>Job 2</b>	0
<b>Dropped Following Enrollment</b>		<b>In Retention Period:</b>	
<b>Job 1</b>	13	<b>Job 1</b>	13
<b>Job 2</b>	0	<b>Job 2</b>	14

**SUBAGREEMENTS:**

All training services were performed by employees of IEA.

**AUDIT:**

IEA will be notified in writing if this agreement is selected for an audit that will be conducted either at your site (field audit) or by telephone if selected for a desk audit (or "review"). These notifications will be sent in advance to allow ample preparation time and will include a list of documentation that will be examined by the auditor. A list of the documentation typically examined during an audit will be included along with the Audit Notification and Audit confirmation letters. To provide support of training, original training attendance documentation is required; photocopied records are not acceptable. Listed below are types of records typically requested during an ETP field audit:

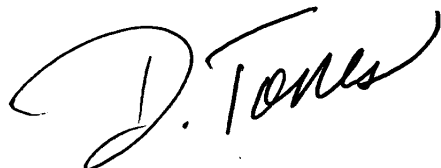
- Training attendance records such as rosters, sign-in sheets, etc.
- Payroll records of individual trainees to verify wage and hours worked
- Personnel records regarding occupation and dates of employment
- Documentation of employer paid health benefits (if applicable)
- Cash receipts to verify receipt and accounting of ETP funds

**RECORD RETENTION:**

Records must be retained within your control and be available for review at your place of business within the State of California. This responsibility will terminate no sooner than four (4) years from the date of the termination of the Agreement or three (3) years from the date of the last payment by ETP to the Contractor, or the date of resolution of appeals, audits, claims, exceptions, or litigation, whichever is later.

If you have any questions or comments regarding the information contained in this letter, please contact Carole Robinson at (619) 686-4971, within ten (10) working days from the receipt date of this letter.

Sincerely,

A handwritten signature in black ink, appearing to read "D. Torres". The signature is fluid and cursive, with a large initial "D" and a stylized "Torres".

Diana Torres, Manager  
San Diego Regional Office

A handwritten signature in black ink, appearing to read "Carole Robinson". The signature is cursive and elegant, with a large initial "C" and a stylized "Robinson".

Carole Robinson, Contract Analyst  
San Diego Regional Office

cc: Kulbir Mayall, Manager, ETP fiscal  
Master File  
Project File

Date report e-mailed to Contractor 07/23/09